

**BOND UPDATE : GIVEN THE MAGNITUDE OF THE RECENT YIELD DROP THEN A POWERFUL TREND IS IN PLAY. THE LATEST YIELD BOUNCE COULD BE OVER BEFORE IT STARTS AND WE RESUME THE YIELD MOVE LOWER. ADDITIONALLY BOND YIELD DAILY RSI'S DON'T HAVE THE SAME DISLOCATIONS AS THE CURVE THUS CAN MOVE LOWER WITH EASE.**

**NORMALLY I WOULD ALLOW MORE TIME FOR THE DAILY RSI TO DIFFUSE ITS DISLOCATION BUT THIS TIME WE ARE DEALING WITH A BIGGER MONTHLY 2008 STYLE ISSUE.**

**THE 30YR BOND YIELD STANDS OUT AS IT HAS HIT ITS 200 DAY MOVING AVERAGE 1.9273 HOWEVER WE ARE SUB THE "CROSSING" 50-100 DAY MOVING AVERAGES (PAGE 13).**

**BOND YIELDS HAVE BOUNCED HOWEVER ALL MONTHLY RSI CHARTS CONTINUE TO CALL FOR "LOWER" YIELDS.**

**US BOND AND SWAP CURVES CONTINUE TO "SCREAM" FOR A MAJOR FLATTENING GIVEN THE HISTORICAL RSI DISLOCATION. THE OTHER POINTER IS THE 102030 SWAP CURVES CONTINUES TO INDICATE THE 20YR IS "OUT OF LINE" WITH THE WINGS!**

US102030 Swap monthly : Finally we have a LONGTERM TOP so should see the 20yr sector perform. We have hit and held the 38.2% ret 25.7843 thus a good point to take a pause. Sub the 38.2% ret will put us into FREE FALL territory.



US102030 Swap daily : This RSI is as dislocated as August 2019-March 2020 when the move higher was initiated. We are holding the 38.2% ret 26.0148 BUT are SUB ALL moving averages.



US 5-30 Swap monthly : We have had the flattening the RSI's have been calling for, if 2008 is to be replicated then this could flatten massively. Plenty of room to head lower, sub the 61.8% ret 83.498.



US 5-30 Swap daily : This RSI WAS low and now diffused. As with the previous chart we are SUB all moving averages.



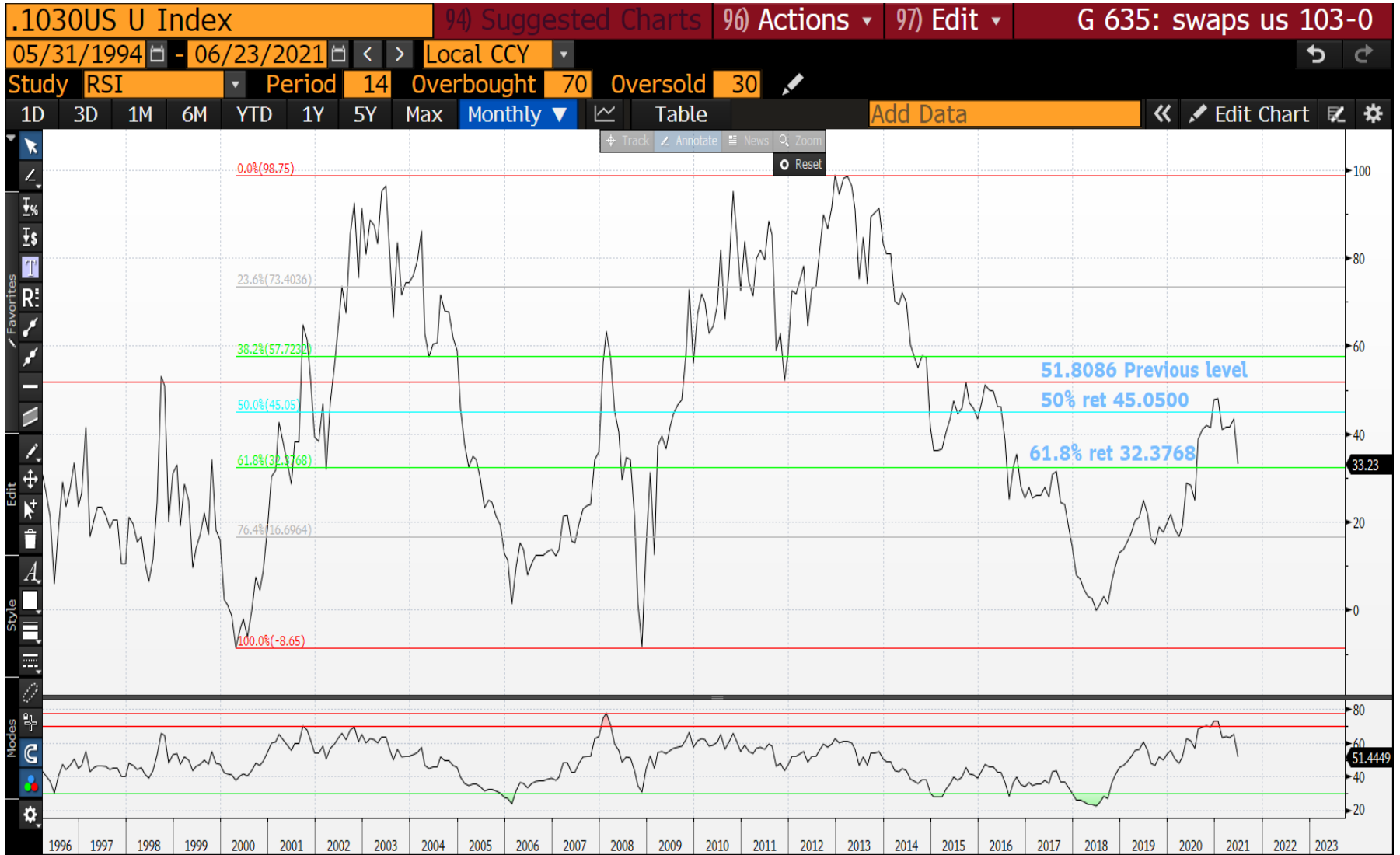
US 5-30 monthly : This too is a very nasty long-term TOP formation, we double topped against the 38.2% ret 166.202. If we breach the 50% ret 121.588 it will open the flood gates.



US 5-30 daily : Another VERY LOW RSI, THE LOWEST EVER! We have worked off the RSI dislocation thus us if we re-breach the 38.2% ret 109.395, it will open the flood gates.



US 10-30 Swap monthly : We have a MAJOR TOP if we replicate 2008 and sub 40.00 produced some big stops. Like the previous charts we should pause given the daily RSI dislocations.

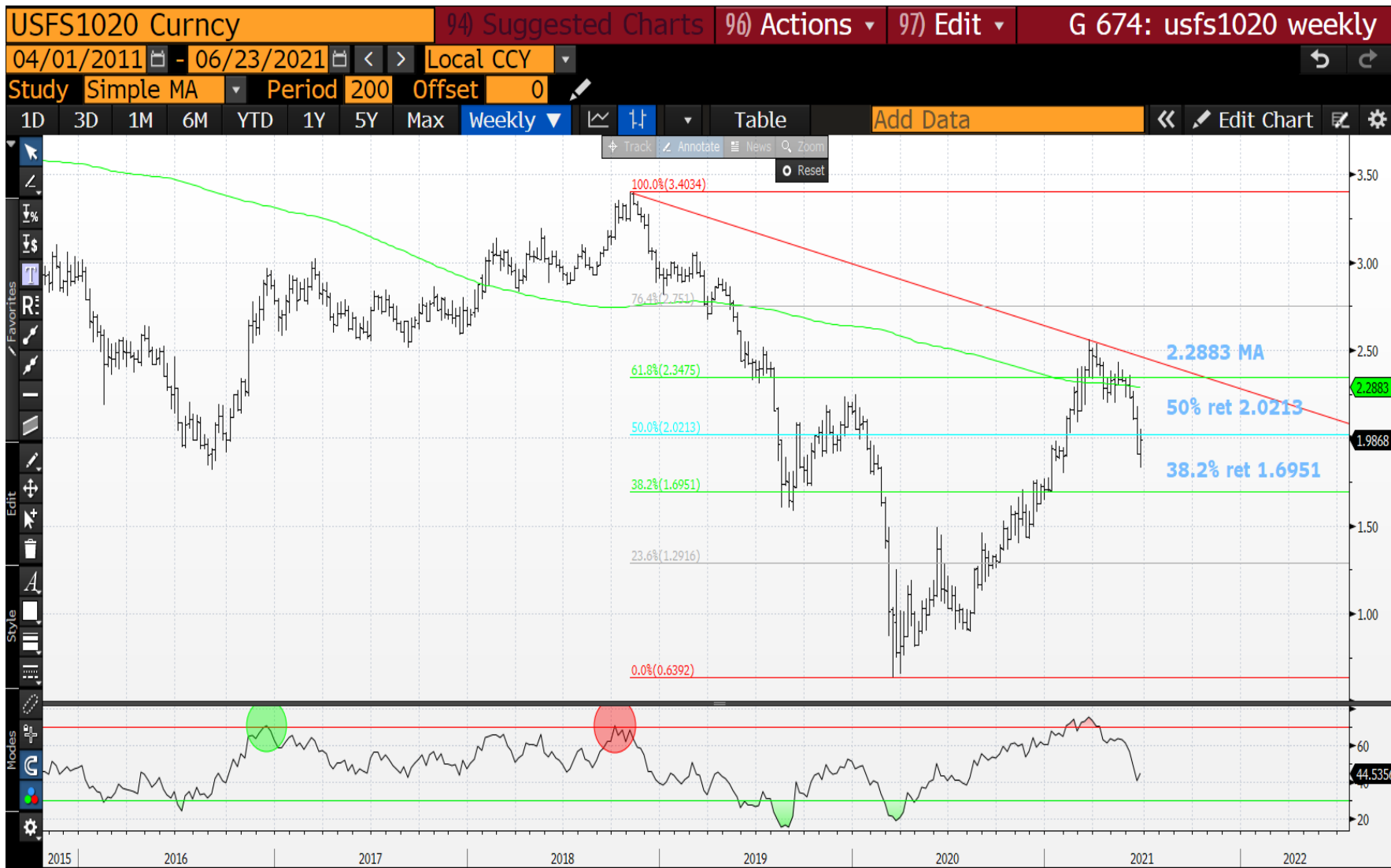




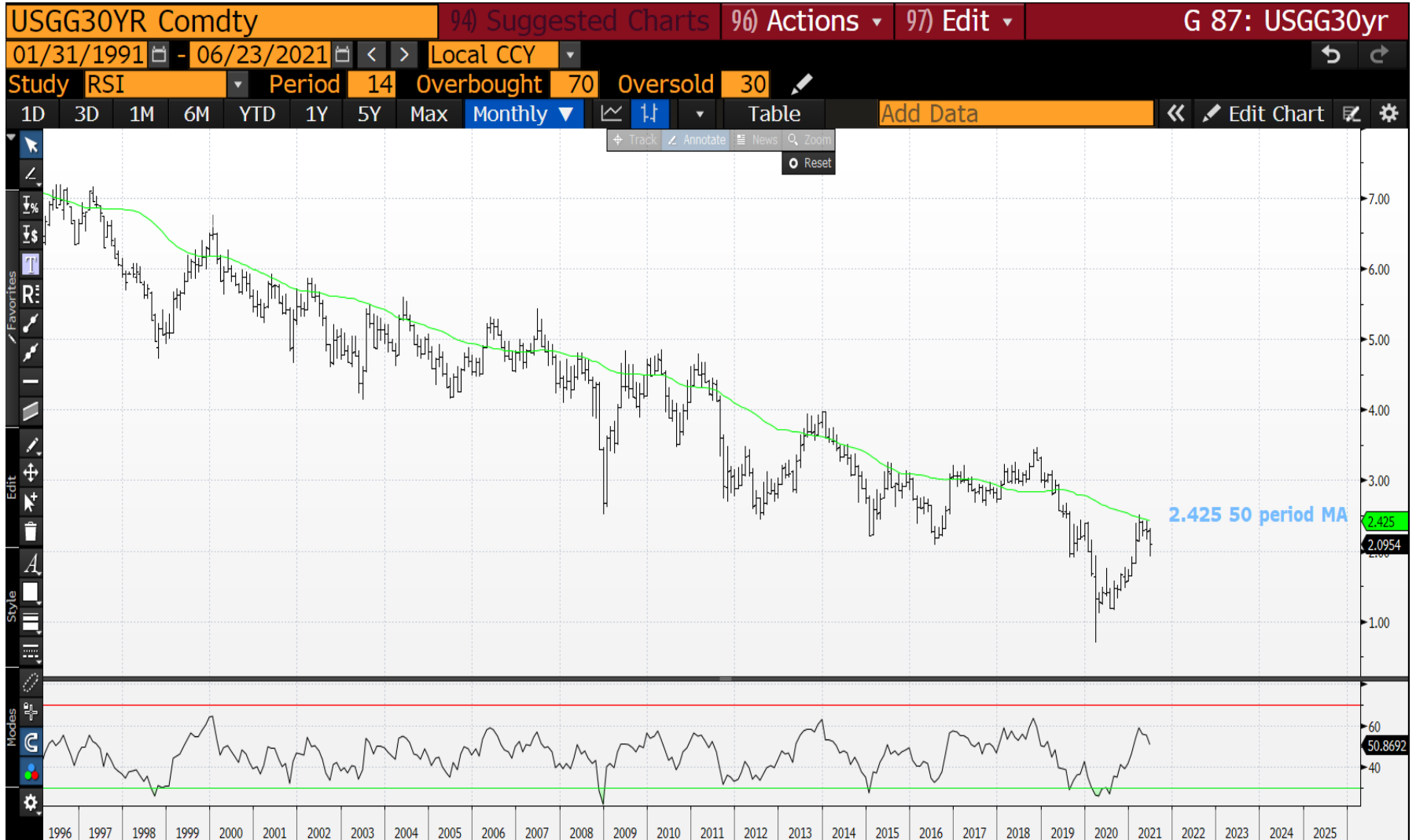
US 10-30 monthly : We have steady progress and remaining sub the 50% ret 53.918 will hopefully see us target the 61.8% ret 38.721.



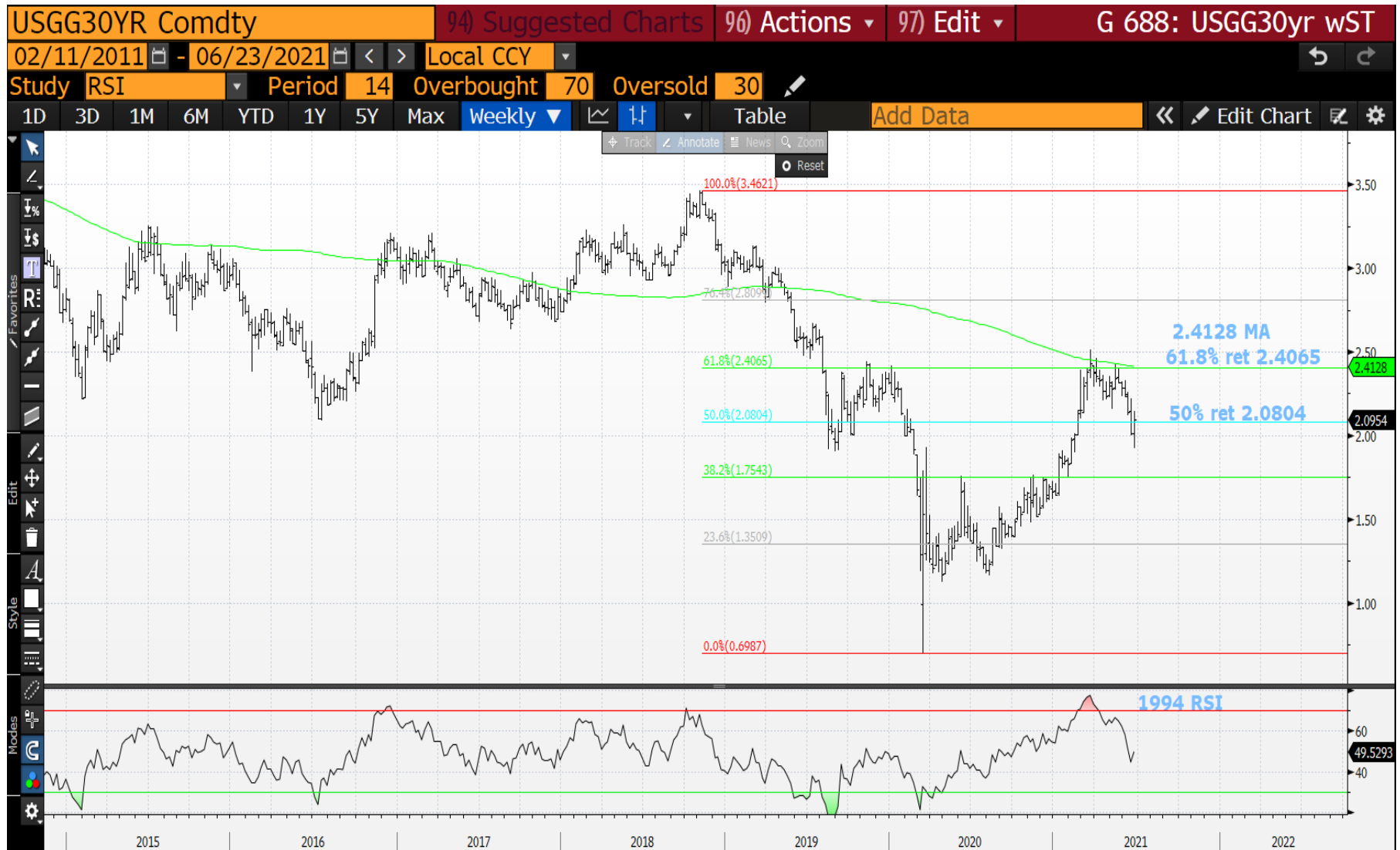
US 10-20 Swap weekly : We are now sub all major levels leaving a MAJOR LONGTERM TOP behind.



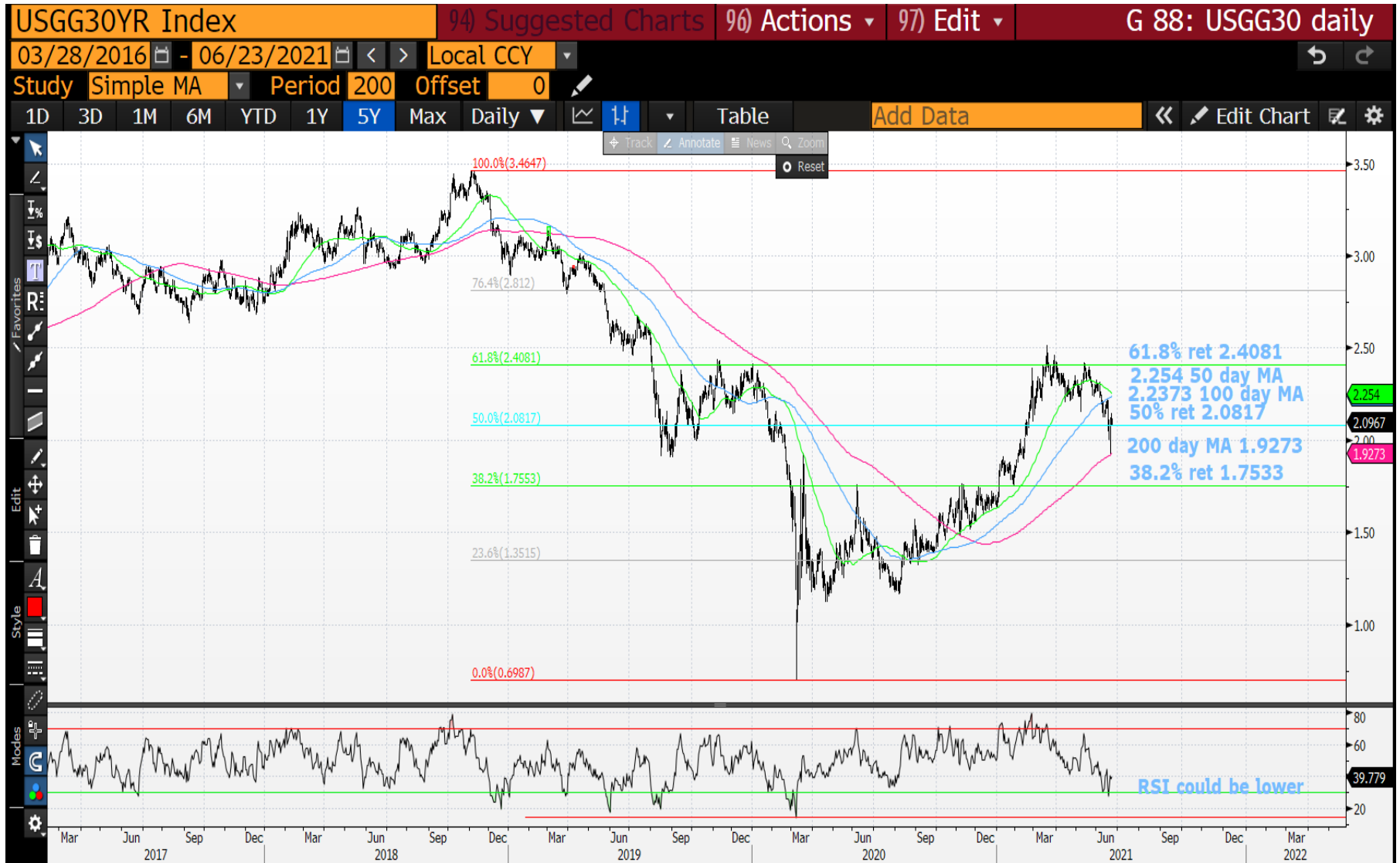
USGG30yr monthly : We persist in remaining sub the 2.425 50 period moving average and the RSI has only just kinked LOWER. The next couple of months should have VERY MUCH INCREASED ranges as we head lower once we have worked off the DAILY RSI DISLOCATIONS.



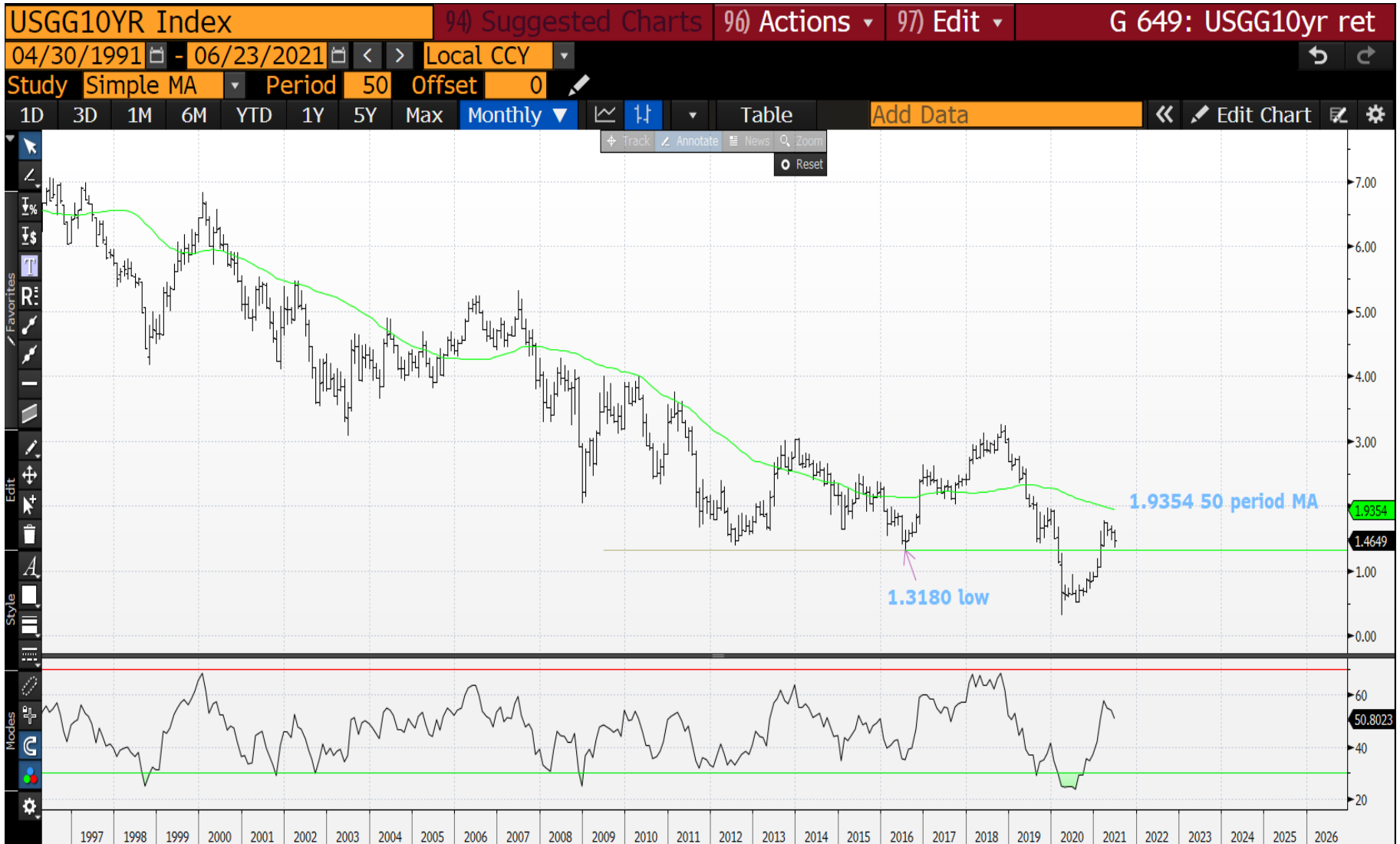
USGG30yr weekly : We have breached the 50% ret 2.0804 but need to work off the daily dislocated RSI.



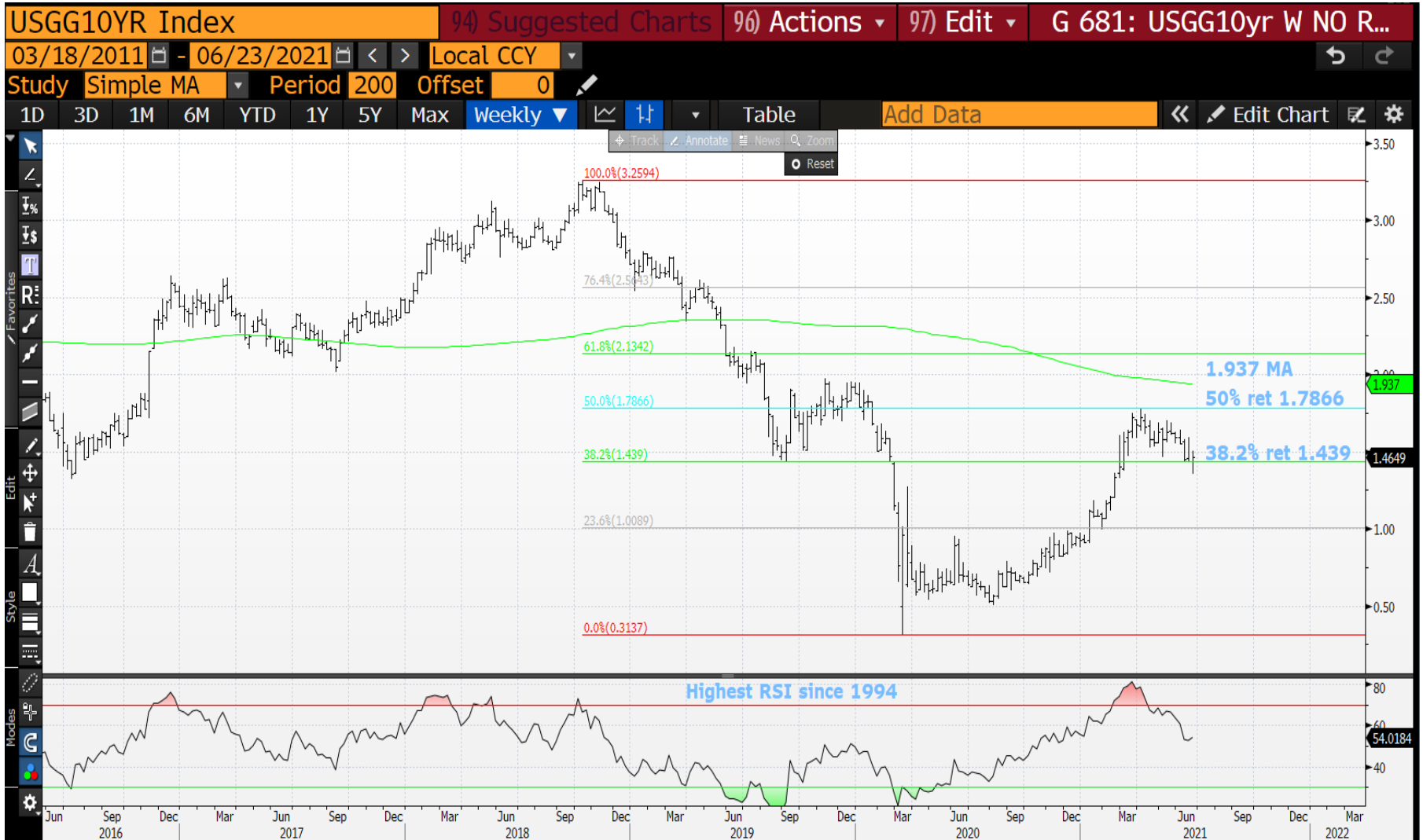
USGG30yr daily : The RSI is now mixed and the big issue is the 50-100 day moving averages are about to CROSS LOWER.



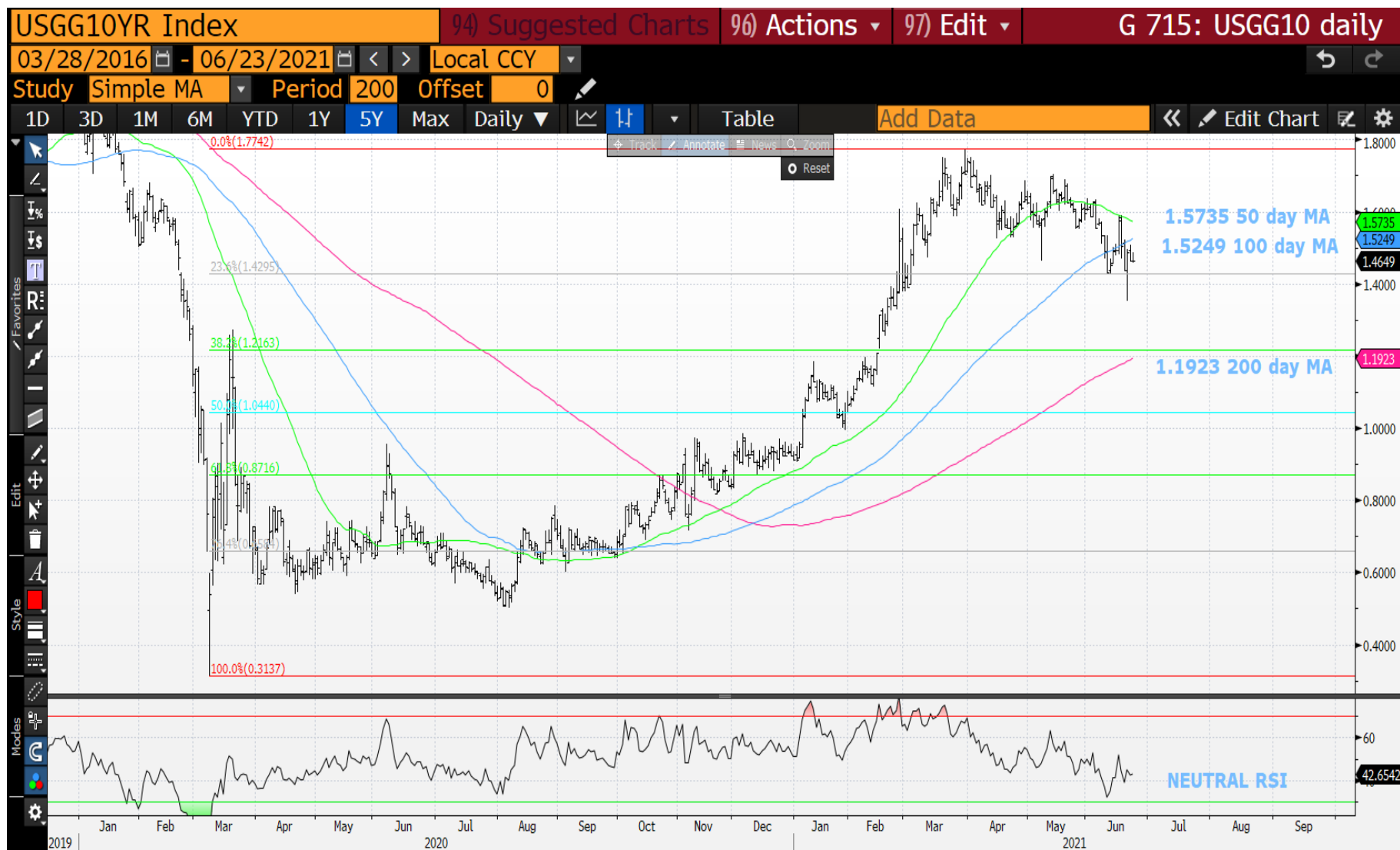
US 10yr yield monthly : Yields have bounced this month but ideally we breach the lows by month end.



US 10yr yield weekly : 10yr yields do seem to adhere to technical levels GIVEN we failed the 50% ret 1.7866 and have found support at the 38.2% ret 1.439. Ideally we work off the daily RSI dislocations and breach the 38.2% ret.

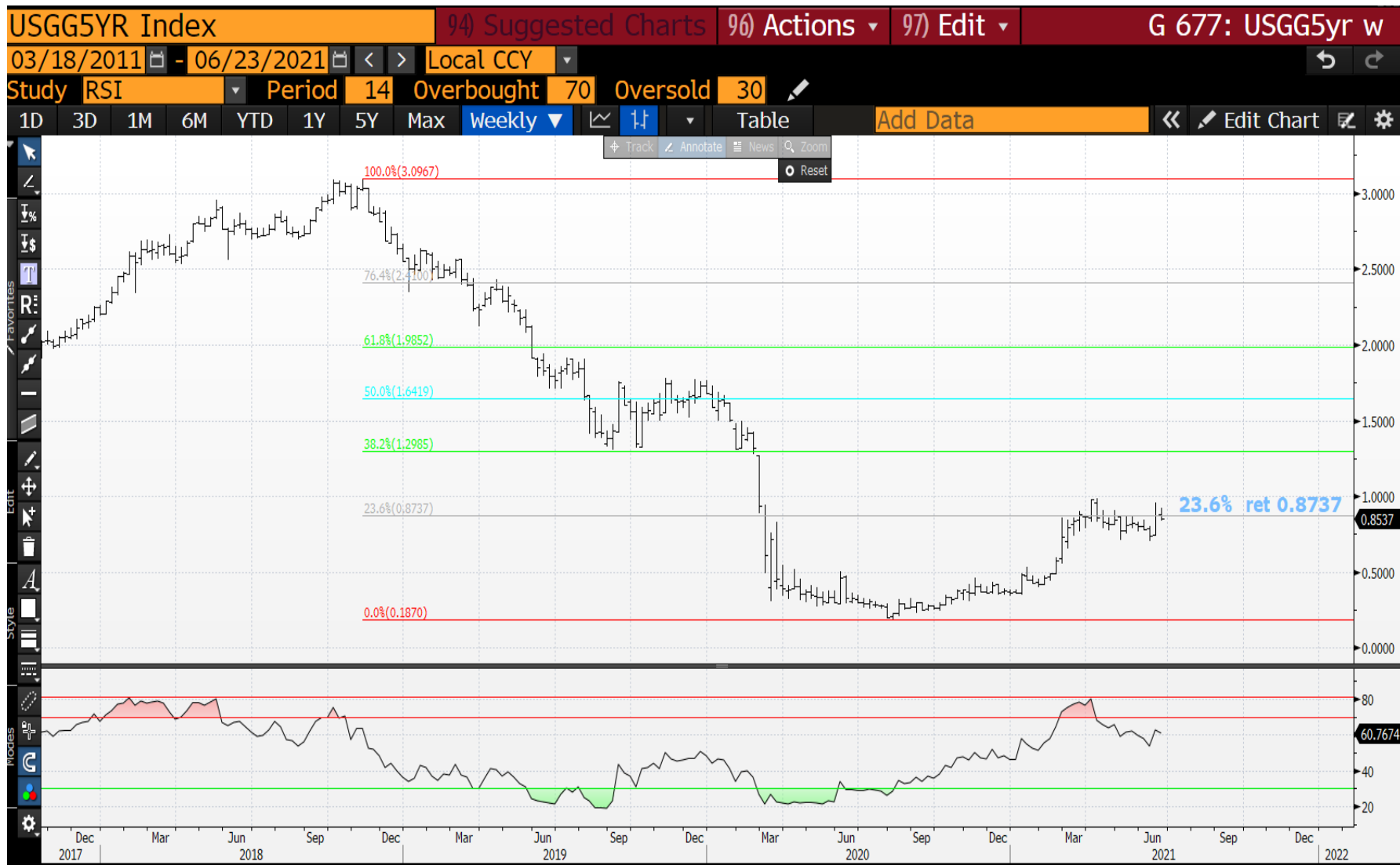


US 10yr yield daily : The RSI is now NEUTRAL, we should head lower given the 50-100 day moving averages are POISED to cross LOWER.





US 5yr yield weekly : We are TEASING the 23.6% ret 0.8737 AGAIN and ideally head lower soon.



DBR 46 weekly : We breached the 50% ret 157.561 but the daily RSI has paused proceedings.



DBR 46 daily : We should POP back above the 50% ret 157.561 soon.



This research was prepared by Chris Williams. He is a self-employed contractor with Astor Ridge. A history of his research can be provided upon request in compliance with the European Commission's Market Abuse Regulation.

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